[திரு. வெ. ராமையா] [9th August 1966

எனக்கு சட்ட ஆலோசகர் சொல்லியது, எக்சிக்யூட்டிவ் இன்ஸ்ட்ரக்ஷன்படி இதைச் செய்து விடலாம் என்பதாகும். அங்கிருக்கக் கூடிய விவசாயிகளுடைய கஷ்டத்தை உடனடியாகப் போக்கும் வகையில்தான் இந்த மசோதா வந்திருக்கிறது.

MR. SPEAKER: The question is—

'That the Madras Additional Assessment and Additional Water-Cess (Amendment) Bill, 1966 (L.A. No. 11 of 1966) be taken into consideration.'

The motion was put and carried and the Bill was taken into consideration.

Clause 2 was put and carried.

Clause 1.

MR. SPEAKER: The question is—

'That clause 1 do stand part of the Bill.'

திரு. எ. கோ. பாலகிருஷ்ணன்: தலைவர் அவர்களே என்னுடைய திருத்தத்திலே அடங்கியுள்ள கருத்தை கனம் அமைச்சர் அவர்கள் கவனிப்பதாகச் சொல்லி இருப்பதால், என்னுடைய திருத்தத்தை நான் பிரேரேபிக்கவில்லை.

Clause 1 was put and carried.

The Enacting Formula and the Long Title were put and carried.

THE HON. SRI V. RAMAIAH: Sir, I move—

'That the Madras Additional Assessment and Additional Water-Cess (Amendment) Bill, 1966 (L.A. Bill No. 11 of 1966) be passed.'

The motion was put and carried and the Bill was passed.

(2) THE MADRAS (TRANSFERRED TERRITORYI LUXURY TAX ON TOBACCO (VALIDATION) BILL, 1966 (L.A. BILL NO. 9 OF 1966).

* THE HON. SRI M. BHAKTAVATSALAM: Sir, I move—

(2) THE MADRAS (TRANFERRD TERRITORY) LUXURY TAX ON Tobacco (Validation) Bill *, 1966 (L.A. Bill No. 9 of 1966) be taken into consideration.'

Till the end of 1957, licence fees were being levied on tobacco in the former Travancore-Cochin areas and the vend of tobacco of all kinds was prohibited except under a licence. In the Travancore area the fees were being levied under the Tobacco Act of 1087 and the rules made thereunder. The system of levying licence fees on tobacco was introduced in the Travancore area with effect

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from the 17th August 1950 and was continued up to the 31st December 1957 in the transferred territory of Kanayakumari district and Shencottah taluk of Tirunelveli district which originally formed part of the former Travancore-Cochin State.

When the Constitution of India came into force, the Travancore-Cochin State became a Part 'B' State. The Finance Act, 1950 (Central Act XXV of 1950) extended the Central excise and Salt Act, 1944 (Central Act I of 1944) to the Travancore-Cochin State with effect from the 1st April 1950. On an appeal from some of the tobacco dealers in Kerala, the Supreme Court in Abdul Kadir *vs.* State of Kerala (A.I.R. 1962, S.C. 922) considered the validity of the rules under which the licence fees were being levied in the former Travancore-Cochin areas. The Supreme Court held that when the Central Excise and Salt Act, 1944, was extended to the Travancore-Cochin State by the Finance Act, 1950, which specifically provided for the repeal of the corresponding law, the Tobacco Acts of Travancore and Cochin stood repealed with effect from 1st April 1950 and that consequently the rules made thereunder, according to which the licence fees were levied, were invalid *ab initio*. Consequent on the decision of the Supreme Court, many tobacco dealers in the transferred territory have claimed refund of the licence fees imposed and collected under the impugned rules. The claims received so far amount to Rs. 2,04,020. The Government of Kerala have, so far as dealers in Kerala State are concerned, enacted the Luxury Tax on Tobacco (Validation) Act, 1964 (Kerala Act 9 of 1964) to provide for the levy of a luxury tax on tobacco and for the validation of the levy and collection of fees for licences for the vend and stocking of tobacco for the period from 17th August 1950 to the 31st December 1957. In order to avoid the necessity for this Government to make heavy refunds of licence fees paid during the period from the 17th August 1950 to the 31st December 1957 in the transferred territory and as there is also no justification to make such refunds as the licence fees would have been added to the price of tobacco and ultimately passed on to the consumers, the Government have decided to undertake the present validating legislation similar to Kerala Act 9 of 1964. The Bill will be applicable to the transferred territory of Kanyakumari district and Shencottah taluk of the Tirunelveli district.

The Bill provides for the levy of a luxury tax on tobacco in the form of a fee for licence for the vend and stocking of tobacco in the transferred territory at such rates as may be prescribed, not exceeding the rates specified in the Schedule, for the period from the 17th August 1950 to the 31st December 1957. Clause 4 of the Bill empowers the Government to make rules in respect of the matters specified in the clause. But the rules and notifications specified in sub-clause (5) of the clause and issued under the Tobacco Act of 1087 (Travancore Act I of 1087) shall be deemed to be rules issued under this clause and shall be deemed

to have been in force at all material times for the purposes of levy and collection of licence fees for the vend and stocking of tobacco. Clause 5 validates the levy and collection of all fees for licences for the vend or stocking of tobacco for the period from the 17th August 1950 to the 31st December 1957.

With these words, Sir, I commend the motion for the acceptance of the House.

MR. SPEAKER: The question is—

'That the Madras (Transferred Territory) Luxury Tax on Tobacco (Validation) Bill, 1966 (L.A. Bill No. 9 of 1966) be taken into consideration'.

The motion was put and carried and the Bill was taken into consideration.

Clauses 2 to 5 and the Schedule were put and carried.

Clause 1, the Enacting Formula and the Long Title were put and carried.

THE HON. SRI M. BHAKTAVATSALAM: Sir, I move—

'That the Madras (Transferred Territory) Luxury Tax on Tobacco (Validation) Bill, 1966 (L.A. Bill No. 9 of 1966) be passed.'

The motion was put and carried and the Bill was passed.

VII—ANNOUNCEMENTS.

(1) THE MADRAS PRIVATE EDUCATIONAL INSTITUTIONS (REGULATION) BILL, 1966 (L.A. BILL NO. 14 OF 1966).

MR. SPEAKER: I have to announce to the House that the Governor has given his recommendation to the consideration by the Madras Legislative Assembly of the Madras Private Educational Institutions (Regulation) Bill, 1966 (L.A. Bill No. 14 of 1966).

VI—GOVERNMENT BILLS—*cont.*

(3) THE MADRAS PRIVATE EDUCATIONAL INSTITUTIONS (REGULATION) BILL, 1966 (L.A. BILL NO. 14 OF 1966).

THE HON. SRI M. BHAKTAVATSALAM: Mr. Speaker, Sir, I beg to move—

'That the concurrence of the Legislative Council be obtained for setting up a Joint Select Committee of both the Houses, consisting of 18 Members (12 Members of the Legislative Assembly and 6 Members of the Legislative Council) to consider the Madras Private Educational Institutions (Regulation)